

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING						FORM 3 AMENDED REPORT				
APPLICATION FOR PERMIT TO DRILL						1. WELL NAME and NUMBER Moon 2-31C4				
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT ALTAMONT				
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO						5. UNIT or COMMUNITIZATION AGREEMENT NAME				
6. NAME OF OPERATOR EP ENERGY E&P COMPANY, L.P.						7. OPERATOR PHONE 713 997-5038				
8. ADDRESS OF OPERATOR 1001 Louisiana, Houston, TX, 77002						9. OPERATOR E-MAIL maria.gomez@epenergy.com				
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) Fee			11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>				
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Kenneth Alton Moon						14. SURFACE OWNER PHONE (if box 12 = 'fee') 435-738-2526				
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') HC 64 Box 102, Duchesne, UT 84021						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')				
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>			19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>				
20. LOCATION OF WELL		FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN		
LOCATION AT SURFACE		715 FSL 776 FEL		SESE	31	3.0 S	4.0 W	U		
Top of Uppermost Producing Zone		715 FSL 776 FEL		SESE	31	3.0 S	4.0 W	U		
At Total Depth		715 FSL 776 FEL		SESE	31	3.0 S	4.0 W	U		
21. COUNTY DUCHESNE			22. DISTANCE TO NEAREST LEASE LINE (Feet) 715			23. NUMBER OF ACRES IN DRILLING UNIT 640				
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1500			26. PROPOSED DEPTH MD: 10500 TVD: 10500				
27. ELEVATION - GROUND LEVEL 5467			28. BOND NUMBER 400JU0708			29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE Duchesne City				
Hole, Casing, and Cement Information										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
COND	20	13.375	0 - 800	54.5	J-55 LT&C	8.8	Class G	1000	1.15	15.8
SURF	12.25	9.625	0 - 3300	40.0	N-80 LT&C	9.5	35/65 Poz	439	3.16	11.0
							Premium Lite High Strength	191	1.33	14.2
I1	8.75	7	0 - 7434	29.0	P-110 LT&C	10.4	Premium Lite High Strength	259	2.31	12.0
							Premium Lite High Strength	91	1.91	12.5
L1	6.125	4.5	7234 - 10500	13.5	P-110 LT&C	12.0	50/50 Poz	194	2.0	12.0
ATTACHMENTS										
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES										
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER					<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN					
<input checked="" type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)					<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER					
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)					<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP					
NAME Maria S. Gomez				TITLE Principal Regulatory Analyst				PHONE 713 997-5038		
SIGNATURE				DATE 07/21/2012				EMAIL maria.gomez@epenergy.com		
API NUMBER ASSIGNED 43013515940000				APPROVAL Permit Manager						

**Moon 2-31C4
Sec. 31, T3S, R4W
DUCHESNE COUNTY, UT**

EP ENERGY E&P COMPANY, L.P.

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers

<u>Formation</u>	<u>Depth</u>
Green River (GRRV)	3,284'
Green River (GRTN1)	3,884'
Mahogany Bench	4,584'
L. Green River	5,434'
Wasatch	7,334'
T.D. (Permit)	10,500'

2. Estimated Depths of Anticipated Water, Oil, Gas or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River (GRRV)	3,284'
	Green River (GRTN1)	3,884'
	Mahogany Bench	4,584'
Oil	L. Green River	5,434'
Oil	Wasatch	7,334'

3. Pressure Control Equipment: (Schematic Attached)

A 4.5" by 20.0" rotating head on structural pipe from surface to 800'. A 4.5" by 13 3/8" Smith Rotating Head and 5M Annular from 800' to 3,300' on Conductor. A 5M BOP stack, 5M kill lines and choke manifold used from 3,300' to 7,434'. A 10M BOE w/rotating head, 5M annular, blind rams & mud cross from 7,434' to TD.

The BOPE and related equipment will meet the requirements of the 5M and 10M system.

OPERATORS MINIMUM SPECIFICATIONS FOR BOPE:

The surface casing will be equipped with a flanged casing head of 5M psi working pressure. An 11" 5M x 11" 10M spool, 11" x 10M psi BOP and 5M psi Annular will be nipped up on the surface casing and tested to 250 psi low test / 3,000 psi high test for 10 minutes each prior to drilling out. The surface casing will be tested to 1,000 psi. for 30 mins. Intermediate casing will be tested to the greater of 1500 psi or 0.22 psi/ft. The choke manifold equipment, upper Kelly cock, floor safety valves will be tested to 5M psi. The annular preventer will be

tested to 250 psi low test and 4,000 psi high test. The 10M BOP will be installed with 3 ½" pipe rams, blind rams, mud cross and rotating head from intermediate shoe to TD. The BOPE will be hydraulically operated.

In addition, the BOP equipment will be tested after running intermediate casing, after any repairs to the equipment and at least once every 30 days. Pipe and blind rams will be activated on each trip, annular preventer will be activated weekly and weekly BOP drills will be held with each crew.

Statement on Accumulator System and Location of Hydraulic Controls:

Precision Rig # 406 is expected to be used to drill the proposed well. Operations will commence after approval of this application. Manual and/or hydraulic controls will be in compliance with 5M and 10M psi systems.

Auxiliary Equipment:

- A) Pason monitoring systems with gas monitor 800' – TD.
- B) Mud logger with gas monitor – 3,300' to TD
- C) Choke manifold with one manual and one hydraulic operated choke
- D) Full opening floor valve with drill pipe thread
- E) Upper and lower Kelly cock
- F) Shaker, de-sander and de-silter, and centrifuge.

4. Proposed Casing & Cementing Program:

Please refer to the attached Wellbore Diagram.

All casing will meet or exceed the following design safety factors:

- Burst = 1.00
- Collapse = 1.125
- Tension = 1.2 (including 100k# overpull)

Cement design calculations will be based on: 25% excess over gauge hole in the liner section, 10% excess over gauge hole in the intermediate section, and 75% excess on the lead and 50% excess on the tail over gauge hole volume for the surface hole. Actual volumes pumped will be a minimum of the volumes stated above, however, actual hole size will be based on caliper logs in the liner and intermediate sections. Gauge hole will be used for the surface section.

5. Drilling Fluids Program:

Proposed Mud Program:

Interval	Type	Mud Weight
Surface	WBM	8.8 – 9.5
Intermediate	WBM	9.5 – 10.4
Production	WBM	10.4 – 12.0

Anticipated mud weights are based on actual offset well bottom-hole pressure data. Mud weights utilized may be somewhat higher to allow for trip margin and to provide hole stability for running logs and casing.

Visual mud monitoring equipment will be utilized.

6. **Evaluation Program:**

Logs:

Mud Log: 3,300' - TD.

Open Hole Logs: Gamma Ray, Neutron-Density, Resistivity, Sonic, from base of surface casing to TD.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 10,500' TD equals approximately 6,552 psi. This is calculated based on a 0.624 psi/foot gradient (12.0 ppg mud density at TD).

Maximum anticipated surface pressure equals approximately 4,242 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/ft).

Maximum anticipated surface pressure based on frac gradient at 7" casing shoe is 0.8 psi/ft at 10,900' = 5,947 psi

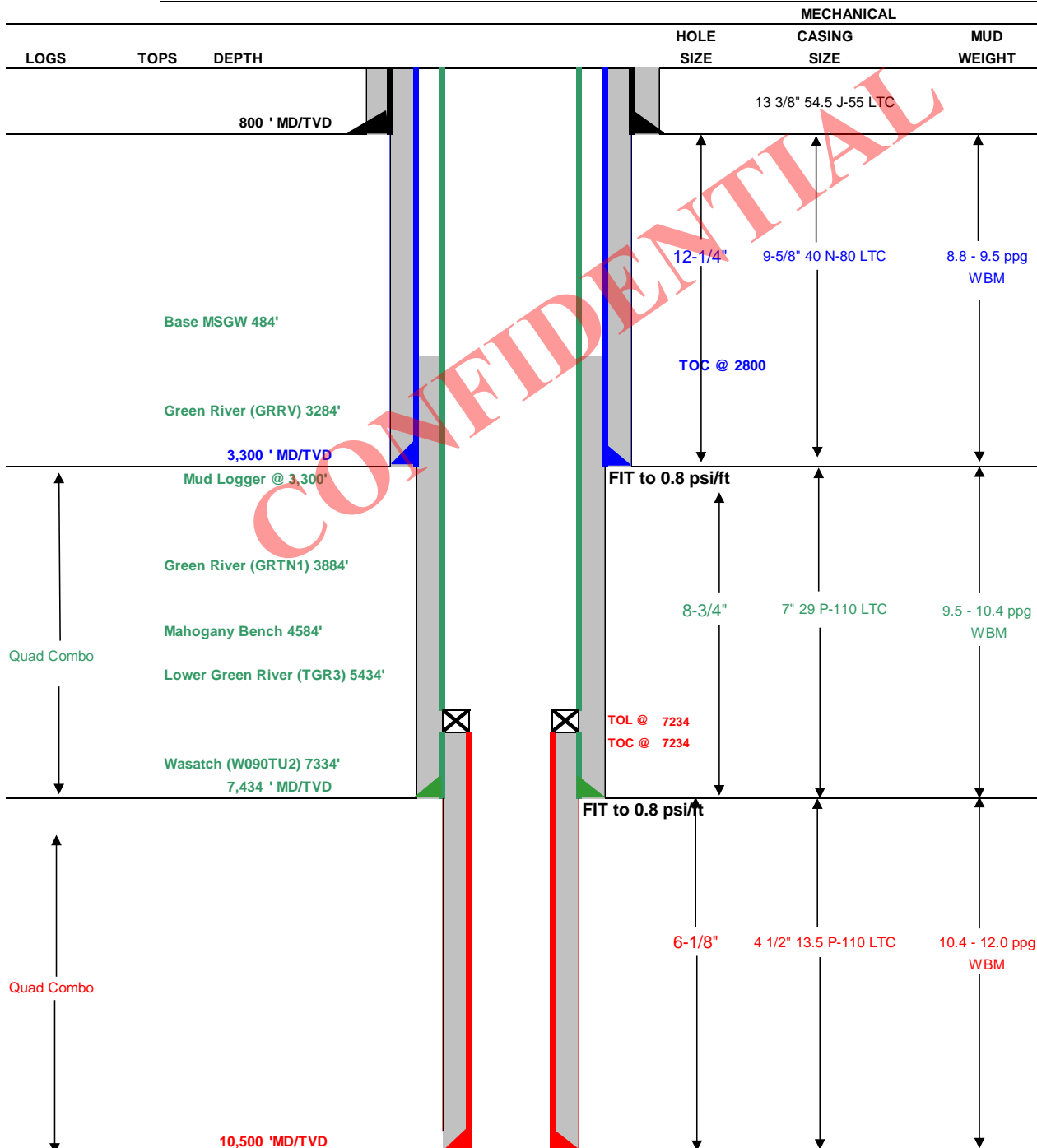
BOPE and casing design will be based on the lesser of the two MASPs which is 4,242 psi.

8. **OPERATOR REQUESTS THAT THE PROPOSED WELL BE PLACED ON CONFIDENTIAL STATUS.**



Drilling Schematic

Company Name: EP ENERGY E&P COMPANY, L.P.	Date: June 28, 2012
Well Name: Moon 2-31C4	TD: 10,500
Field, County, State: Altamont-Bluebell Duchesne, UT	AFE #:
Surface Location: Sec 31 T3S R4W 69N FSL 740' FEL	BHL: Straight Hole
Objective Zone(s): Lower Green River, Wasatch	Elevation: 5,467'
Rig: Precision 406	Spud (est.):
BOPE Info: 5.0 x 13 3/8 rotating head and 5M Annular from 800' to 3,300' 11 5M BOP stack and 5M kill lines and choke manifold used from 3,300' to 7,434' 11 10M BOE w/rotating head, 5M annular, 3.5 rams, blind rams & mud cross from 7,434' to TD	



DRILLING PROGRAM

CASING PROGRAM	SIZE	INTERVAL		WT.	GR.	CPLG.	BURST	COLLAPSE	TENSION
CONDUCTOR	13 3/8"	0	800	54.5	J-55	LTC	2,730	1,140	1,399
SURFACE	9-5/8"	0	3300	40.00	N-80	LTC	3,090	5,750	820
INTERMEDIATE	7"	0	7434	29.00	P-110	LTC	11,220	8,530	797
PRODUCTION LINER	4 1/2"	7234	10500	13.50	P-110	LTC	12,410	10,680	338

CEMENT PROGRAM		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
CONDUCTOR		800	Class G + 3% CACL2	1000	100%	15.8 ppg	1.15
SURFACE	Lead	2,800	Boral Craig POZ 35%, Mountain G 65%, Bentonite Wyoming 8%, Silicate 5 lbm/sk, Pol-E Flake 0.125 lbm/sk, Kwik Seal 0.25 lb/sk	439	75%	11.0 ppg	3.16
	Tail	500	Halco-light premium+3 lb/sk Silicate+0.3% Econolite+1% Salt+0.25 lbm/sk Kol-Seal+0.24 lb/sk Kwik Seal+ HR-5	191	50%	14.2 ppg	1.33
INTERMEDIATE	Lead	3,634	Halco-Light-Premium+4% Bentonite+0.4% Econolite+0.2% Halad322+3 lb/sk Silicalite Compacted+0.8% HR-5+ 0.125 lb/sk Poly-E-Flake	259	10%	12.0 ppg	2.31
	Tail	1,000	Halco-Light-Premium+0.2% Econolite+ 0.3% Versaset+0.2% Halad322+0.8% HR-5+ 0.3% SuperCBL+ 0.125 lb/sk Poly-E-Flake	91	10%	12.5 ppg	1.91
PRODUCTION LINER		3,266	Halco- 50/50 Poz Premium Cement+20% SSA-1+0.3% Super CBL+ 0.3% Halad-344+0.3% Halad-413+ 0.2% SCR-100+ 0.125 lb/sk Poly-E-Flake + 3 lb/sk Silicat	194	25%	12.50	2.0

FLOAT EQUIPMENT & CENTRALIZERS	
CONDUCTOR	PDC drillable guide shoe, 1 joint, PDC drillable float collar. Thread lock all float equipment. Install bow spring centralizers on the bottom 3 joints of casing.
SURFACE	PDC drillable guide shoe, 1 joint casing, PDC drillable float collar & Stage collar. Thread lock all float equipment. Install bow spring centralizers on the bottom 3 joints of casing & every 3rd joint thereafter.
INTERMEDIATE	PDC drillable 10M,P-110 float shoe, 1 joint, PDC drillable 10M, P-110 float collar. Thread lock all float equipment. Maker joint at 8,000'.
LINER	Float shoe, 1 joint, float collar. Thread lock all FE. Maker joints every 1000'.

PROJECT ENGINEER(S): Joe Cawthorn 713-997-5929

MANAGER: Tommy Gaydos

EP ENERGY E&P COMPANY, L.P.
MOON 2-31C4
SECTION 31, T3S, R4W, U.S.B.&M.

PROCEED EAST ON PAVED STATE HIGHWAY 40 FROM THE INTERSECTION OF HIGHWAY 87 WITH U.S. HIGHWAY 40 IN DUCHESNE, UTAH APPROXIMATELY 0.38 MILES TO AN INTERSECTION;

TURN LEFT AND TRAVEL EASTERLY AND THEN NORTHEASTERLY 1.40 MILES ON EXISTING COUNTY ROAD TO THE BEGINNING OF THE ACCESS ROAD;

TURN RIGHT ONTO THE ACCESS ROAD AND THE PROPOSED WELL LOCATION 0.03 MILES;

TOTAL DISTANCE FROM DUCHESNE, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 1.81 MILES.

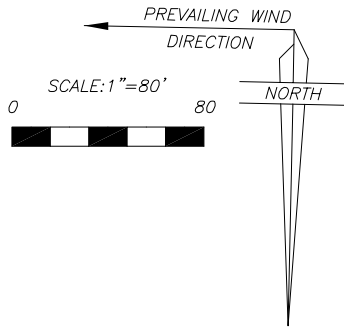
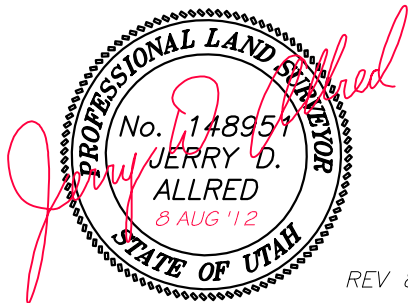
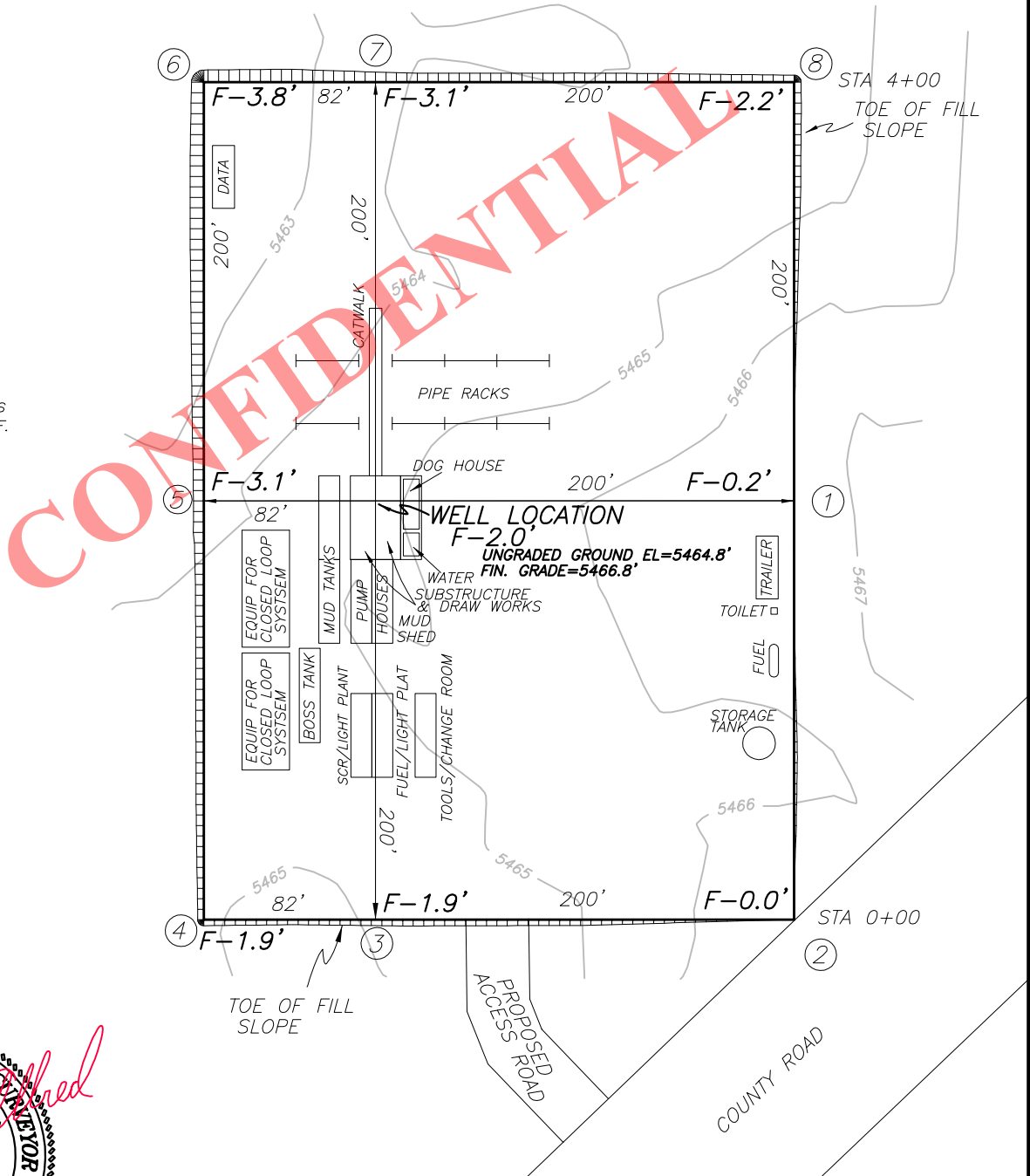
EP ENERGY E & P COMPANY, L.P.

LOCATION LAYOUT FOR

MOON 2-31C4

SECTION 31, T3S, R4W, U.S.B.&M.

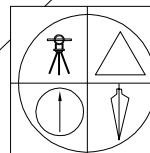
715' FSL, 776' FEL

FIGURE #12.69 Acres
117242.50 S.F.

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18 MAY 2012

01-128-298

**JERRY D. ALLRED & ASSOCIATES**
SURVEYING CONSULTANTS1235 NORTH 700 EAST--P.O. BOX 975
DUCHESTER, UTAH 84021
(435) 738-5352**RECEIVED:** July 21, 2012

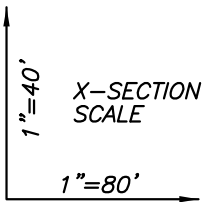
EP ENERGY E & P COMPANY, L.P.**FIGURE #2**

LOCATION LAYOUT FOR

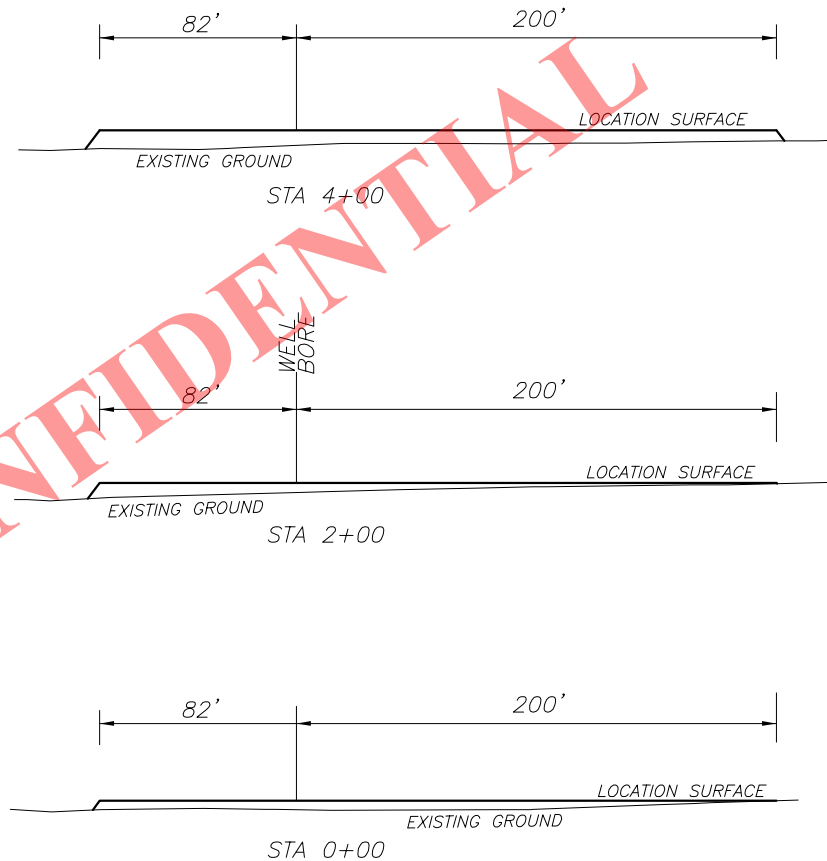
MOON 2-31C4

SECTION 31, T3S, R4W, U.S.B.&M.

715' FSL, 776' FEL



NOTE: ALL CUT/FILL
SLOPES ARE 1½:1
UNLESS OTHERWISE
NOTED

APPROXIMATE QUANTITIES

TOTAL CUT = 2171 CU. YDS.

PIT CUT = 0 CU. YDS.

TOPSOIL STRIPPING: (6") = 2171 CU. YDS.

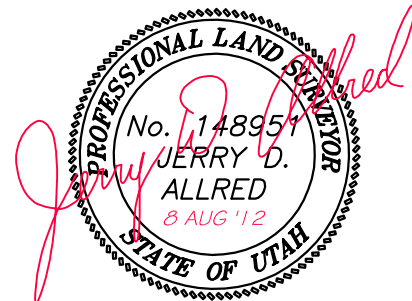
REMAINING LOCATION CUT = 0 CU. YDS.

TOTAL FILL = 10,670 CU. YDS.

LOCATION SURFACE GRAVEL=1433 CU. YDS. (4" DEEP)

ACCESS ROAD GRAVEL=36 CU. YDS.

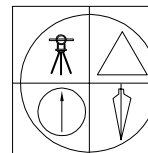
ACCESS ROAD FILL=262 CU. YDS.



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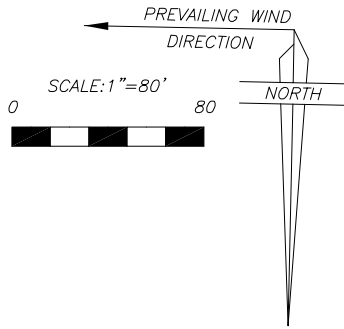
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LOCATION LAYOUT FOR

MOON 2-31C4

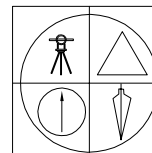
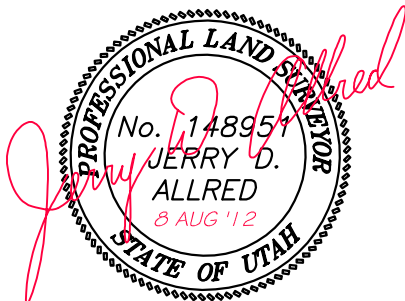
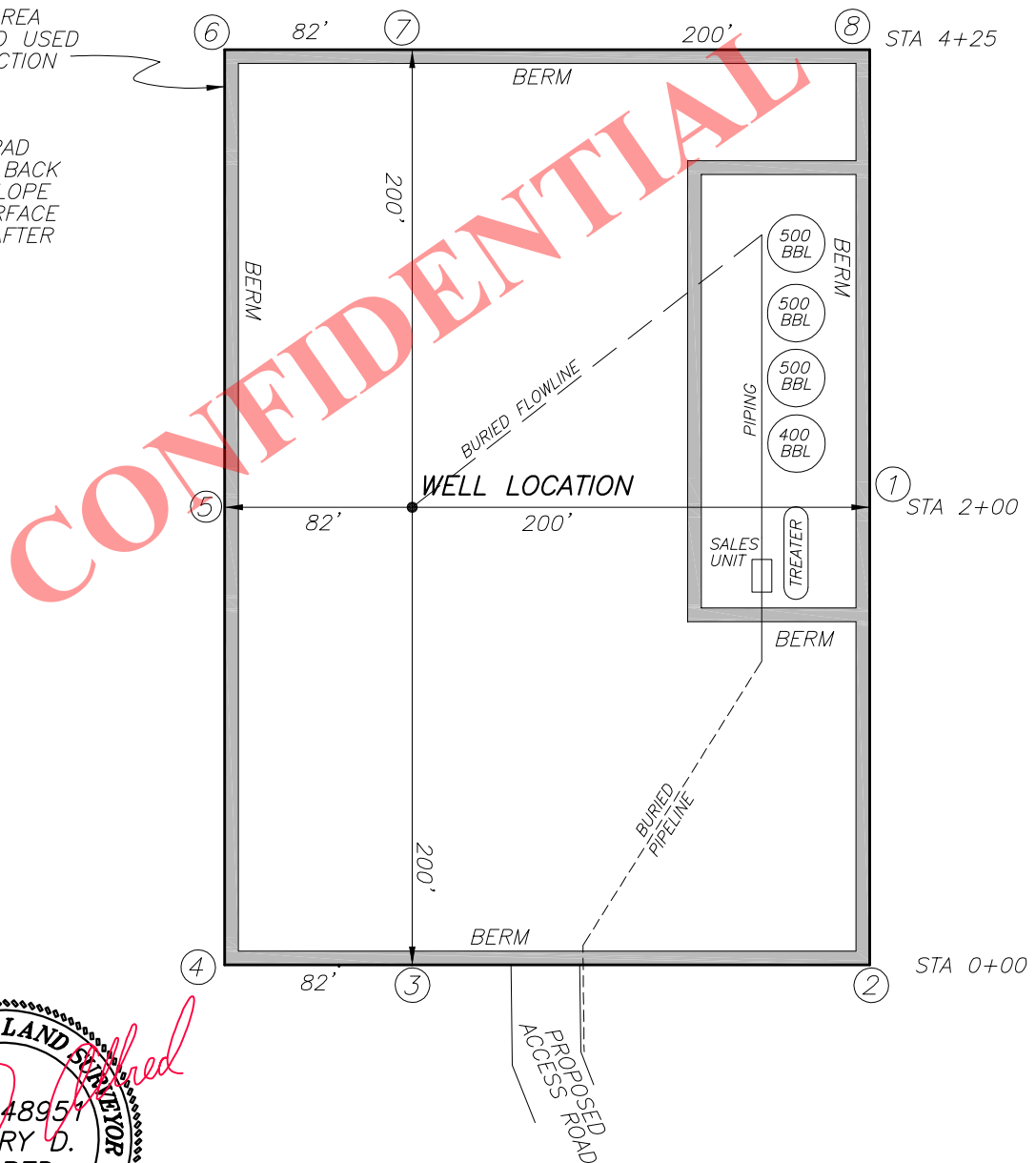
SECTION 31, T3S, R4W, U.S.B.&M.

715' FSL, 776' FEL

FIGURE #3

WELL PAD AREA
BERMED AND USED
FOR PRODUCTION

ENTIRE WELL PAD
RECONTOURED BACK
TO AVERAGE SLOPE
FOR FINAL SURFACE
RECLAMATION AFTER
PRODUCTION



JERRY D. ALLRED & ASSOCIATES
SURVEYING CONSULTANTS

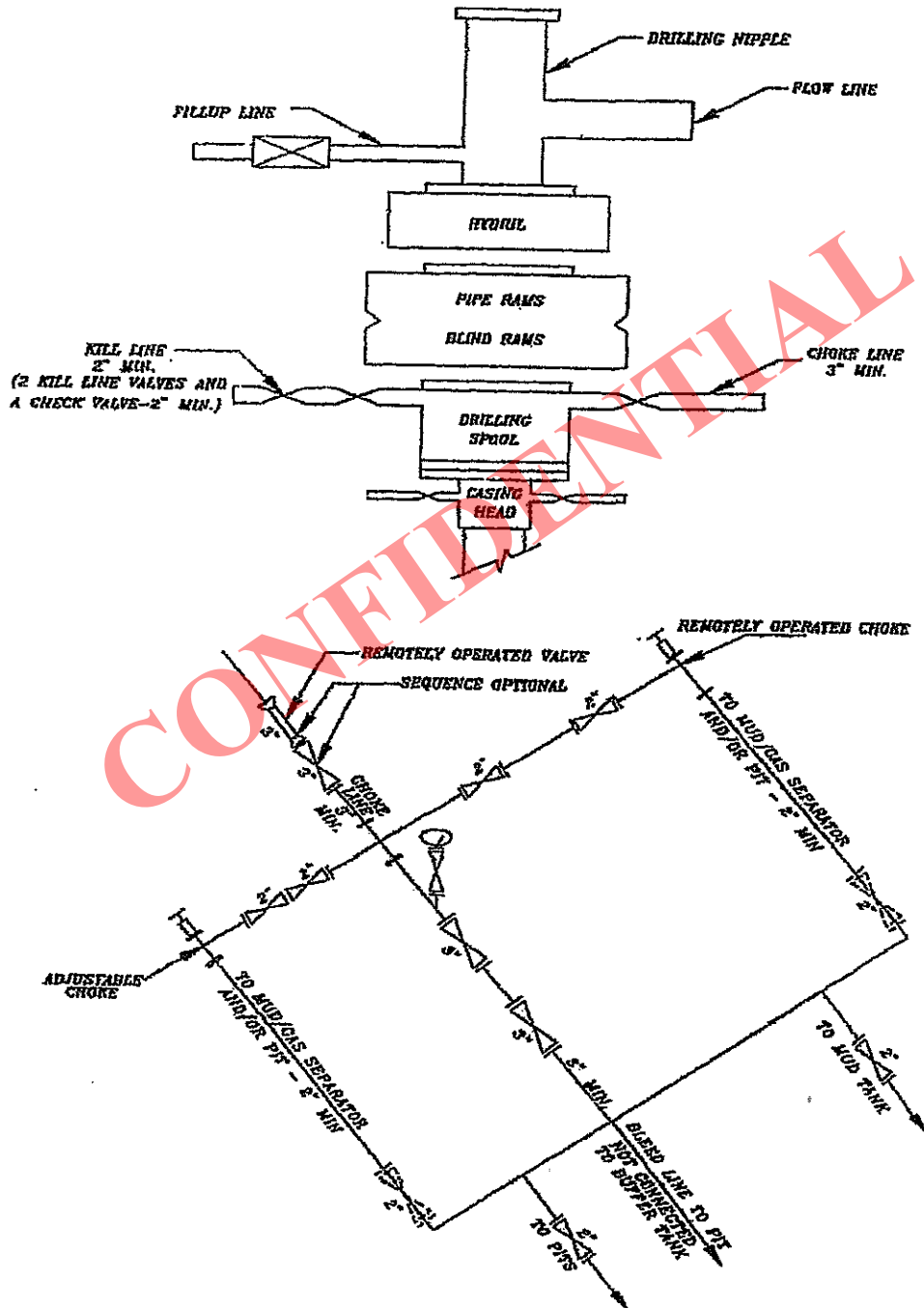
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21 MAY 2012

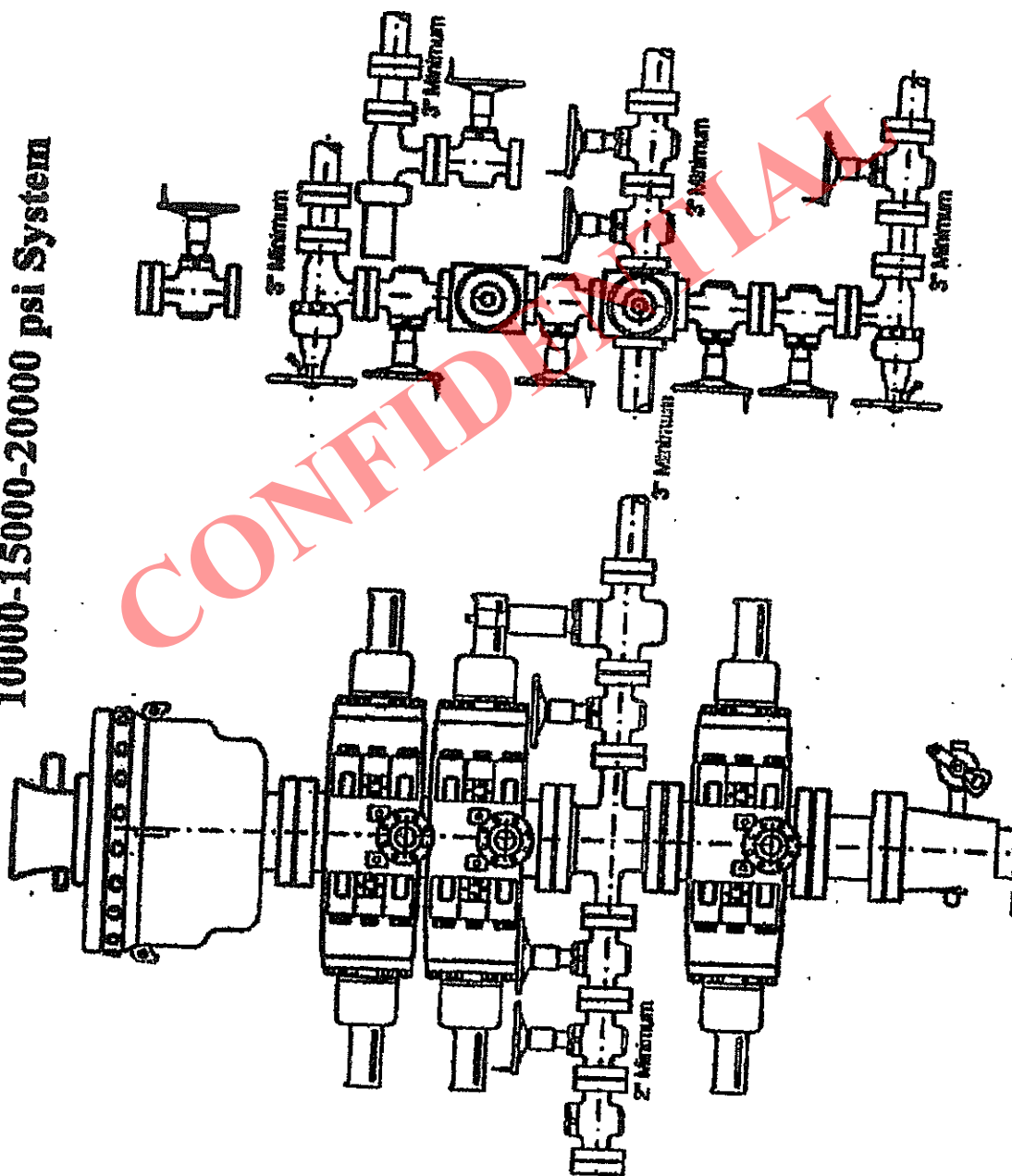
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5M BOP STACK and CHOKE MANIFOLD SYSTEM



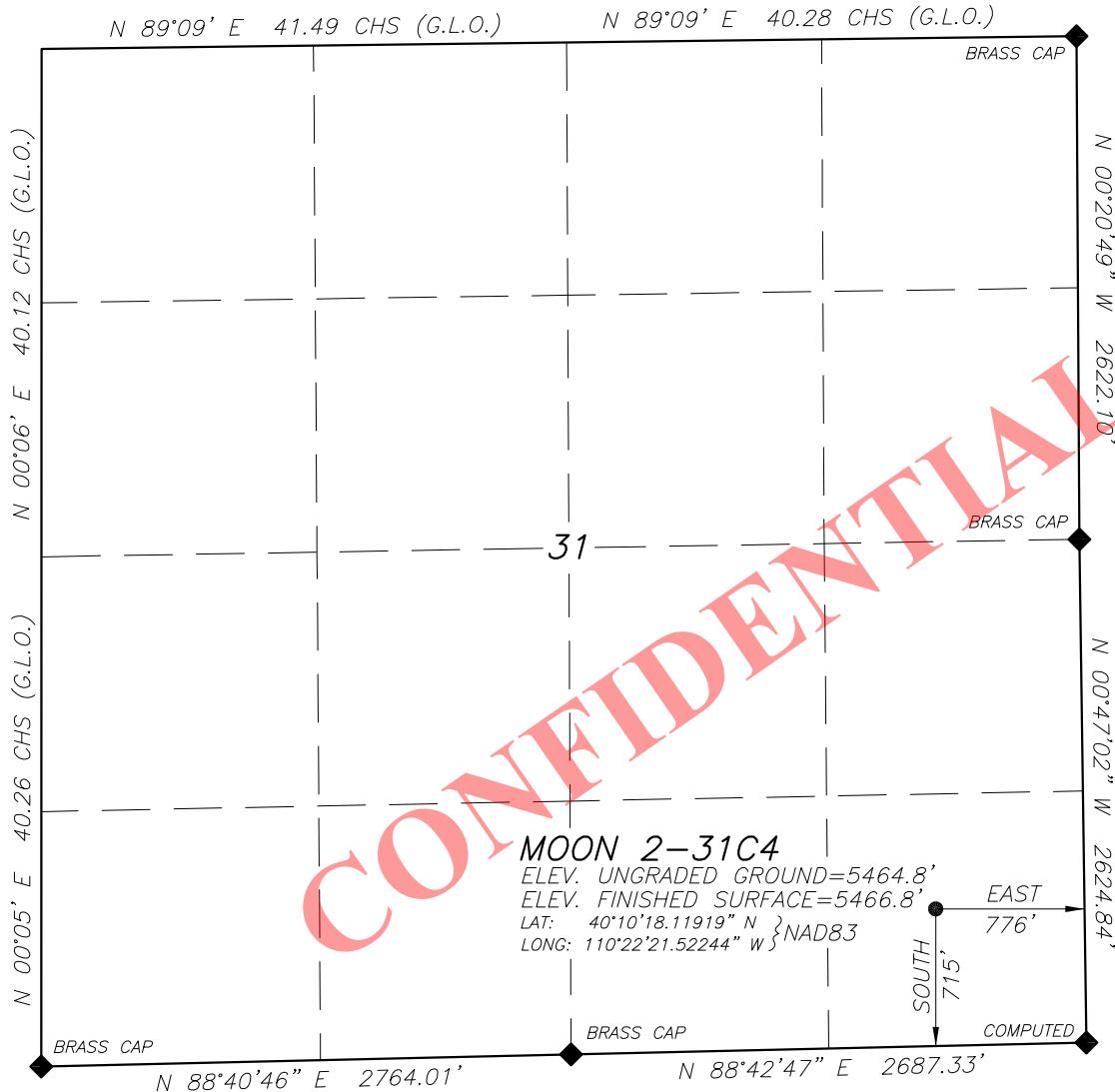
10000-15000-20000 psi System



EP ENERGY & P COMPANY, L.P.

WELL LOCATION

MOON 2-31C4

LOCATED IN THE SE¼ OF THE SE¼ OF
SECTION 31, T3S, R4W, U.S.B.&M.
DUCHESNE COUNTY, UTAH

NOTE:
NAD27 VALUES FOR
WELL POSITION:
LAT: 40.17174173° N
LONG: 110.37193455° W

LEGEND AND NOTES

◆ CORNER MONUMENTS FOUND AND USED
BY THIS SURVEY

THE GENERAL LAND OFFICE (G.L.O.) PLAT WAS
USED FOR REFERENCE AND CALCULATIONS AS
WAS THE U.S.G.S. MAP

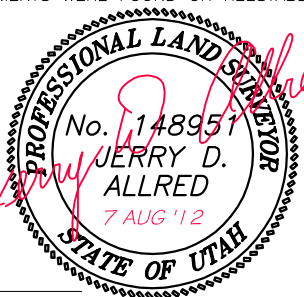
THIS SURVEY WAS PERFORMED USING GLOBAL
POSITIONING SYSTEM PROCEDURES AND EQUIPMENT

THE BASIS OF BEARINGS IS GEODETIC NORTH DERIVED
FROM G.P.S. OBSERVATIONS AT THE SECTION
CORNER LOCATED AT LAT. 40°15'22.90258"N AND
LONG. 110°23'21.19760"W USING THE UTAH
STATE G.P.S. VIRTUAL REFERENCE STATION CONTROL
NETWORK MAINTAINED AND OPERATED BY THE
AUTOMATED GEOGRAPHIC REFERENCE CENTER

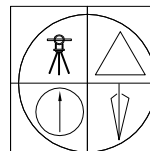
BASIS OF ELEVATIONS: NAVD 88 DATUM USING
THE UTAH REFERENCE NETWORK CONTROL SYSTEM

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM THE FIELD
NOTES AND ELECTRONIC DATA COLLECTOR FILES OF AN ACTUAL
SURVEY PERFORMED BY ME, OR UNDER MY PERSONAL SUPERVISION,
DURING WHICH THE SHOWN MONUMENTS WERE FOUND OR REESTABLISHED.



JERRY D. ALLRED, PROFESSIONAL LAND SURVEYOR,
CERTIFICATE NO. 148951 (UTAH)

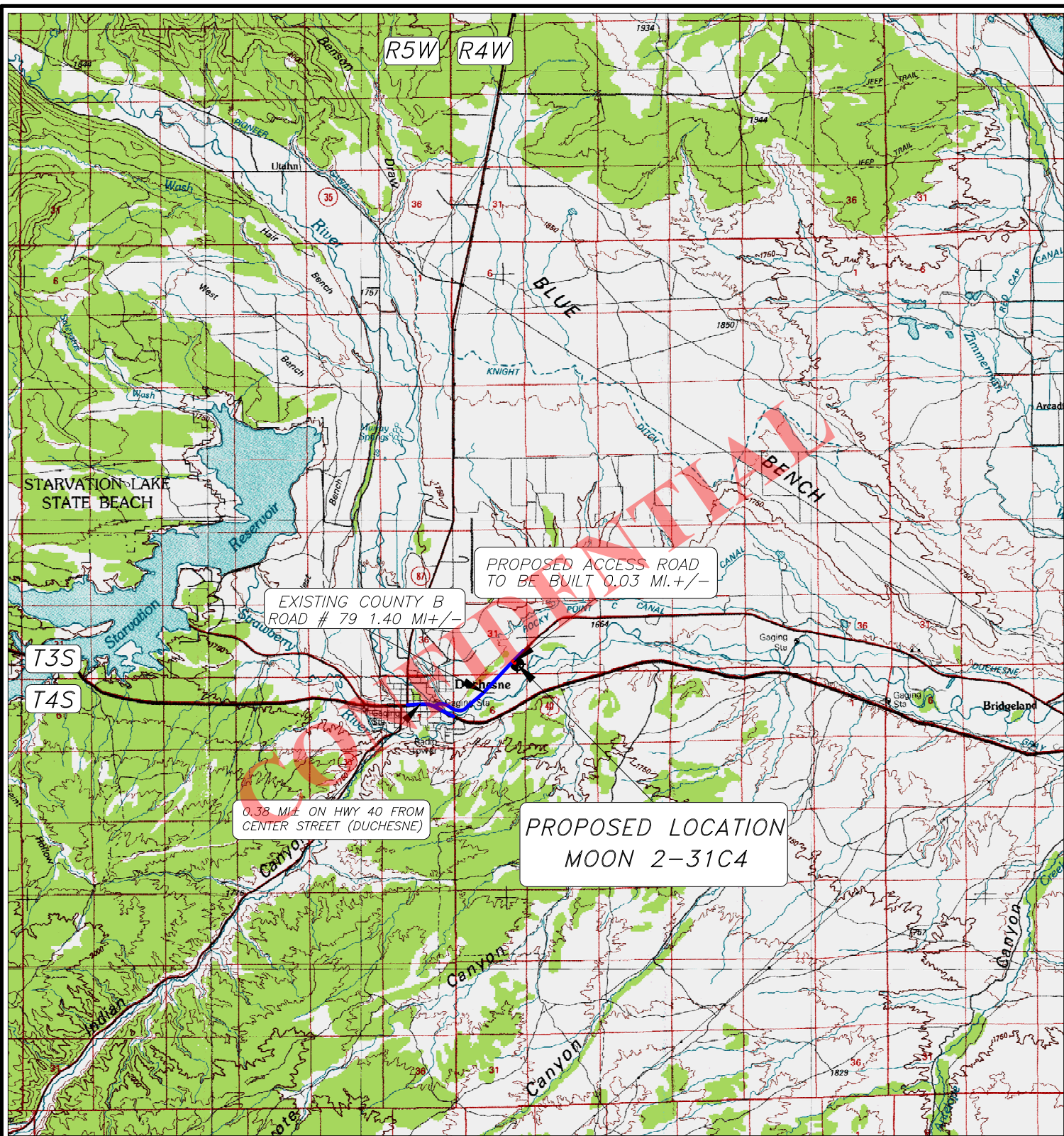


JERRY D. ALLRED & ASSOCIATES
SURVEYING CONSULTANTS

1235 NORTH 700 EAST--P.O. BOX 975
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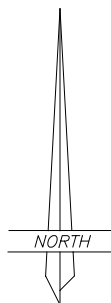
LEGEND:

◆ PROPOSED WELL LOCATION

01-128-298

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EP ENERGY E & P COMPANY, L.P.

MOON 2-31C4

SECTION 31, T3S, R4W, U.S.B.&M.

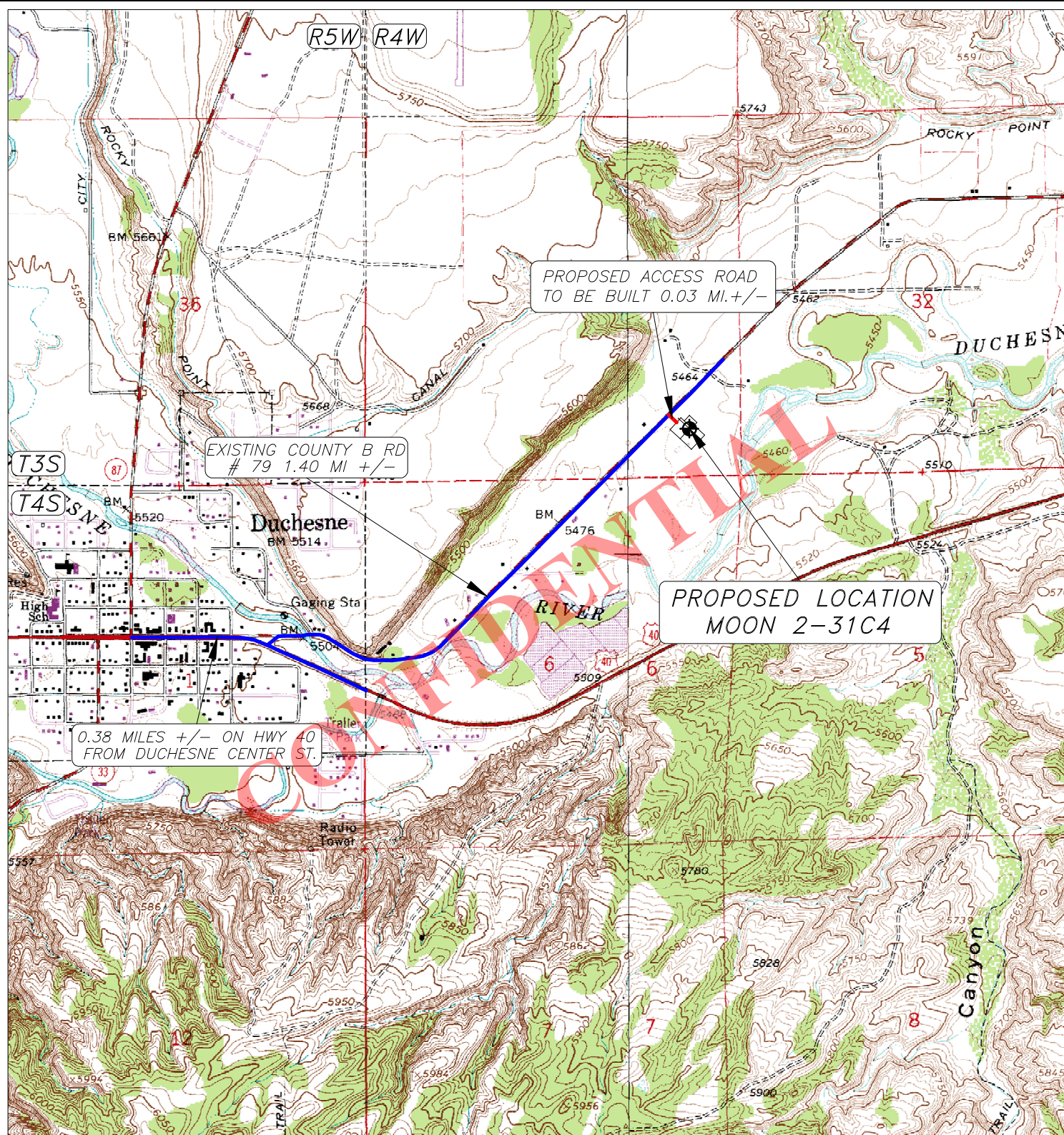
715' FSL 776' FEL

TOPOGRAPHIC MAP "A"

SCALE: 1"=10,000'

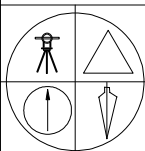
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**LEGEND:**

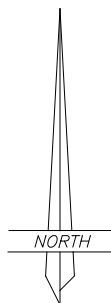
- PROPOSED WELL LOCATION
- PROPOSED ACCESS ROAD
- EXISTING GRAVEL ROAD
- EXISTING PAVED ROAD

01-128-298



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MOON 2-31C4

SECTION 31, T3S, R4W, U.S.B.&M.

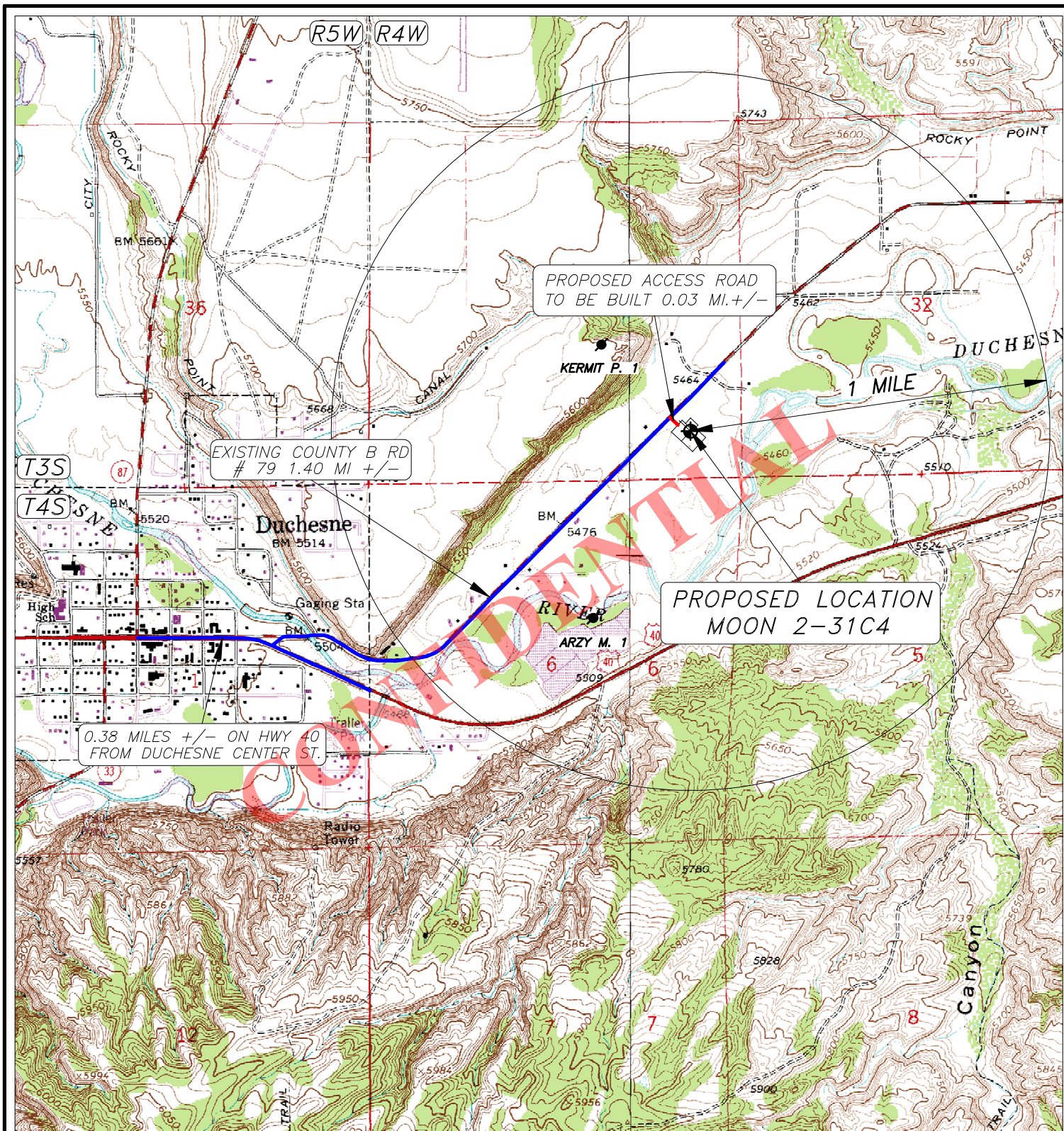
715' FSL 776' FEL

TOPOGRAPHIC MAP "B"

SCALE: 1"=2000'

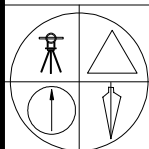
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**LEGEND:**

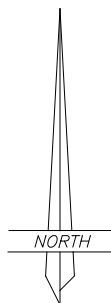
- PROPOSED WELL LOCATION
 OTHER WELLS AS LOCATED FROM SUPPLIED MAP

01-128-298



JERRY D. ALLRED & ASSOCIATES
SURVEYING CONSULTANTS

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**EP ENERGY E & P COMPANY, L.P.**

MOON 2-31C4

SECTION 31, T3S, R4W, U.S.B.&M.

715' FSL 776' FEL

TOPOGRAPHIC MAP "C"

SCALE: 1"=2000'

REV 8 AUG 2012


RECEIVED: July 21, 2012

AFFIDAVIT OF SURFACE DAMAGE AND RIGHT-OF-WAY AGREEMENTS

Corie A. Mathews personally appeared before me, and, being duly sworn, deposes and says:

1. My name is Corie A. Mathews. I am a Landman for EP Energy E&P Company, L.P., whose address is 1001 Louisiana Street, Houston, Texas 77002 ("EP Energy").
2. EP Energy is the operator of the proposed Moon 2-31C4 well ("the Well") to be located in the SE/4 of the SE/4 of Section 31, Township 3 South, Range 4 West, USM, Duchesne County, Utah (the "Drillsite Location"). The surface owner of the Drillsite location is Kenneth Alton Moon, whose address is HC 64 Box 102, Duchesne, Utah 84021 and whose telephone number is (435) 738-2526 (the "Surface Owner").
3. EP Energy and the Surface Owner have entered into a Damage Settlement and Release Agreement dated October 23, 2012 to cover any and all injuries or damages of every character and description sustained by the Surface Owner or Surface Owner's property as a result of operations associated with the drilling of the Well.
4. EP Energy and the Surface Owner have also entered into a Right-of-Way Agreement dated October 23, 2012 for an access road, pipeline and power line corridor across the SE/4 of the SE/4 of Section 31, Township 3 South, Range 4 West, USM, Duchesne County, Utah.

FURTHER AFFIANT SAYETH NOT.

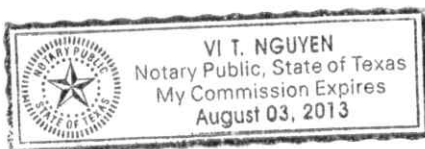



Corie A. Mathews

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on this the 29th day of October, 2012 by Corie A. Mathews as a Landman for EP ENERGY E&P COMPANY, L.P., a Delaware limited partnership, on behalf of said partnership and acknowledged to me that he executed the same as his own free and voluntary act and deed for the uses and purposes therein set forth.





Notary Public in and for State of Texas

EL PASO E&P COMPANY, L.P.

Related Surface Information

1. Current Surface Use:

- Livestock Grazing and Oil and Gas Production.

2. Proposed Surface Disturbance:

- The road will be crown and ditch. Water wings will be constructed on the access road as needed.
- The topsoil will be windrowed and re-spread in the borrow area.
- New road to be constructed will be approximately .03 miles in length and 66 feet wide.
- All equipment and vehicles will be confined to the access road, pad and area specified in the APD.

3. Location Of Existing Wells:

- Existing oil, gas wells within one (1) mile radius of proposed well are provided in EXHIBIT C.

4. Location And Type Of Drilling Water Supply:

- Drilling water: Duchesne City Water

5. Existing/Proposed Facilities For Productive Well:

- There are no existing facilities that will be utilized for this well.
- A pipeline corridor .03 miles will parallel the proposed access road. The corridor will contain one 4 inch gas line and one 2 inch gas line and one 2 inch Salt Water disposal line. Rehabilitation of unneeded, previously disturbed areas will consist of backfilling and contouring the reserve pit area; backsloping and contouring all cut and fill slopes. These areas will be reseeded. Refer to plans for reclamation of surface for details.
- Upgrade and maintain access roads and drainage control structures (e.g., culverts, drainage dips, ditching, etc.) as necessary to prevent soil erosion and accommodate safe, year-round traffic.

6. Construction Materials:

- Native soil from road and location will be used for construction materials along with gravel and/or scoria road base material. In the event that conditions should necessitate graveling of all or part of the access road and location, surfacing materials will be purchased from commercial suppliers in the marketing area.

7. Methods For Handling Waste Disposal:

- The reserve pit will be designed to prevent the collection of surface runoff and will be constructed with a minimum of ½ the total depth below the original ground surface on the lowest point with the pit. The pit will be lined with a 20-mil polyethylene to prevent leakage of fluids. The liner will be rolled into place and secured at the ends, i.e. buried on top of the pit berms. Prior to use, the reserve pit will be fenced on three sides; the fourth side will be fenced at the time the rig is removed. Drilling fluids, cuttings and produced water will be contained in the reserve pit (trash will be placed in the trash cage). Fluids in the reserve pit will be allowed to evaporate prior to pit burial.
- Garbage and other trash will be contained in the portable trash cage and hauled off the location to an authorized disposal site. Any trash on the pad will be cleaned up prior to the rig moving off location and hauled to an authorized disposal site.
- Sewage will be handled in Portable Toilets.
- Produced water will be placed in the reserve pit for a period not to exceed ninety days after initial production. Any hydrocarbons produced during completion work will be contained in test tanks and removed from the location at a later date.
- Water from the reserve pit may be used for drilling of additional wells. The water will be trucked along access roads as approved in pertinent APD's

8. Ancillary Facilities:

- There will be no ancillary facilities associated with this project.

9. **Surface Reclamation Plans:**

Backfilling of the pits will be done when dry. In the event of a dry hole, the location will be re-contoured, the topsoil will be distributed evenly over the entire location, and the seedbed prepared.

- Seed will be planted after September 15th, and prior to ground frost, or seed will be planted after the frost has left and before May 15th. Slopes to steep for machinery will be hand broadcast and raked with twice the specified amount of seed.
 1. The construction program and design are on the attached cut, fill and cross sectional diagrams.
 2. Prior to construction, all topsoil will be removed from the entire site and stockpiled. Topsoil for this site is the first 6 inches of soil materials.
 3. After the location has been reshaped and after redistributing the topsoil, the operator will rip and scarify the drilling platform and access road on the contour, to a depth of at least 12 inches.
- Rehabilitation will begin upon the completion of the drilling. Complete rehabilitation will depend on weather conditions and the amount of time required to dry the reserve pit.
 1. All rehabilitation work including seeding will be completed as soon as weather and the reserve pit conditions are appropriate.
 2. Landowner will be contacted for rehabilitation requirements.

10. **Surface Ownership:**

Kenneth Alton Moon
HC 64 Box 102
Duchesne, Utah 84021
435-738-2526

Other Information:

- The surface soil consists of clay, and silt.
- Flora – vegetation consists of the following: Sagebrush, Juniper and prairie grasses.
- Fauna – antelope, deer, coyotes, raptors, small mammals, and domestic grazing animals.
- Current surface uses – Livestock grazing and mineral exploration and production.

• **Operator and Contact Persons:**

Construction and Reclamation:

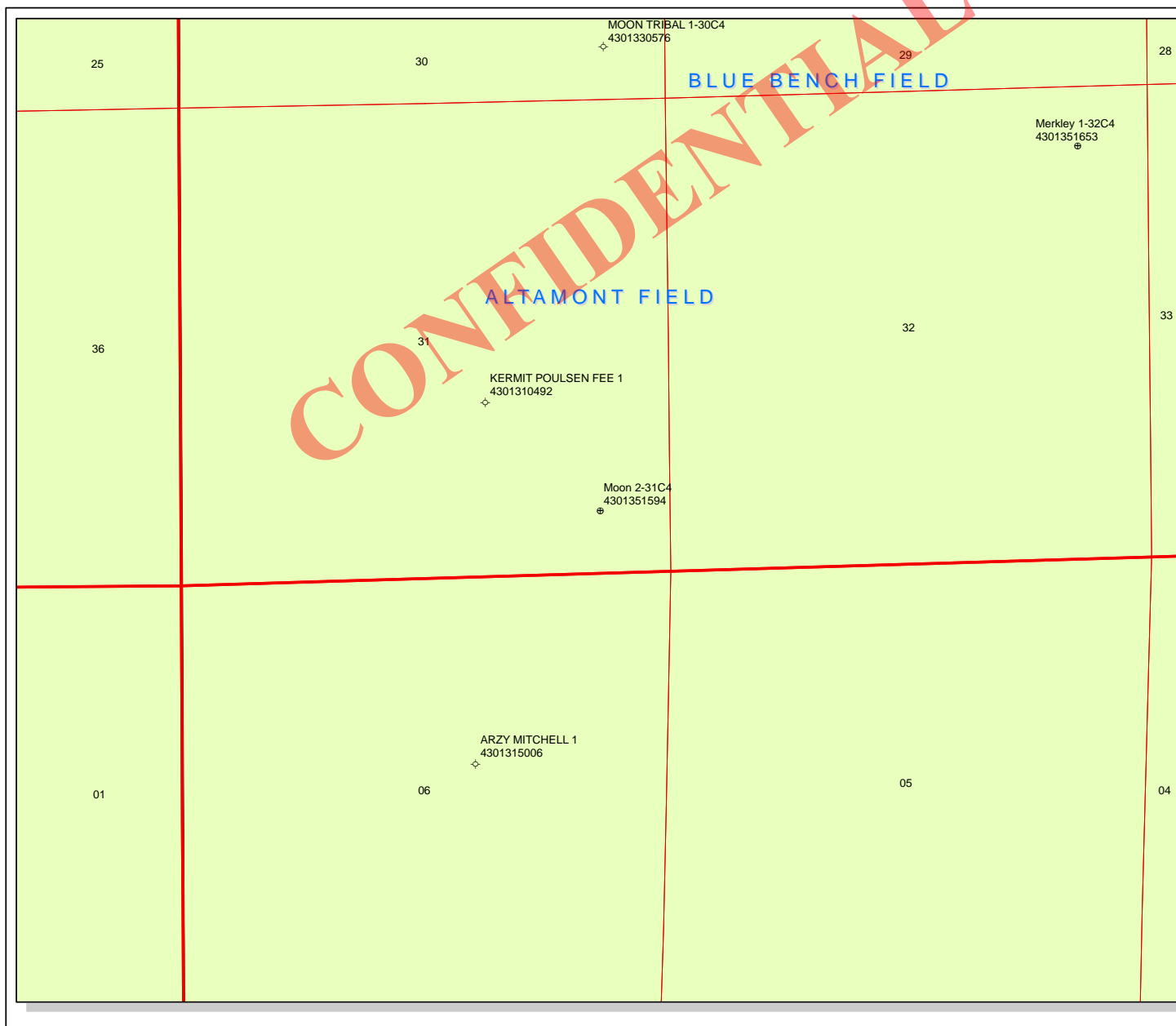
El Paso E & P Company
Wayne Garner
PO Box 410
Altamont, Utah 84001
435-454-3394 – Office
435-823-1490 – Cell

Regarding This APD

El Paso E & P Company
Maria S. Gomez
1001 Louisiana, Rm 2730D
Houston, Texas 77002
713-997-5038 – Office

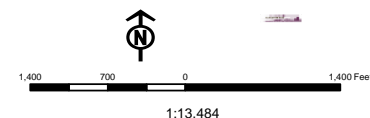
Drilling

El Paso E & P Company
Joe Cawthorn – Drilling Engineer
1001 Louisiana, Rm 2523B
Houston, Texas 77002
713-997-5929 – office
832-465-2882 – Cell



API Number: 4301351594
Well Name: Moon 2-31C4
Township T03.0S Range R04.0W Section 31
Meridian: UBM
Operator: EP ENERGY E&P COMPANY, L.P.
 Map Prepared:
 Map Produced by Diana Mason

Units	Wells Query
STATUS	Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GIW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LOC - New Location
PI OIL	OPS - Operation Suspended
PP GAS	PA - Plugged Abandoned
PP GEOTHERM	PGW - Producing Gas Well
PP OIL	POW - Producing Oil Well
SECONDARY	SGW - Shut-in Gas Well
TERMINATED	SOW - Shut-in Oil Well
Fields	TA - Temp. Abandoned
Unknown	TW - Test Well
ABANDONED	WDW - Water Disposal
ACTIVE	WW - Water Injection Well
COMBINED	WSW - Water Supply Well
INACTIVE	Bottom Hole Location - O/Gas/Dls
STORAGE	
TERMINATED	



Well Name	EP ENERGY E&P COMPANY, L.P. Moon 2-31C4 43013515940000			
String	COND	SURF	I1	L1
Casing Size(in)	13.375	9.625	7.000	4.500
Setting Depth (TVD)	800	3300	7434	10500
Previous Shoe Setting Depth (TVD)	0	800	3300	7434
Max Mud Weight (ppg)	8.8	9.5	10.4	12.0
BOPE Proposed (psi)	1000	1000	5000	10000
Casing Internal Yield (psi)	2730	5750	11220	12410
Operators Max Anticipated Pressure (psi)	6552			12.0

Calculations	COND String	13.375	"
Max BHP (psi)	.052*Setting Depth*MW=	366	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	270	YES <input type="checkbox"/> rotating head
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	190	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	190	NO <input type="checkbox"/>
Required Casing/BOPE Test Pressure=		800	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

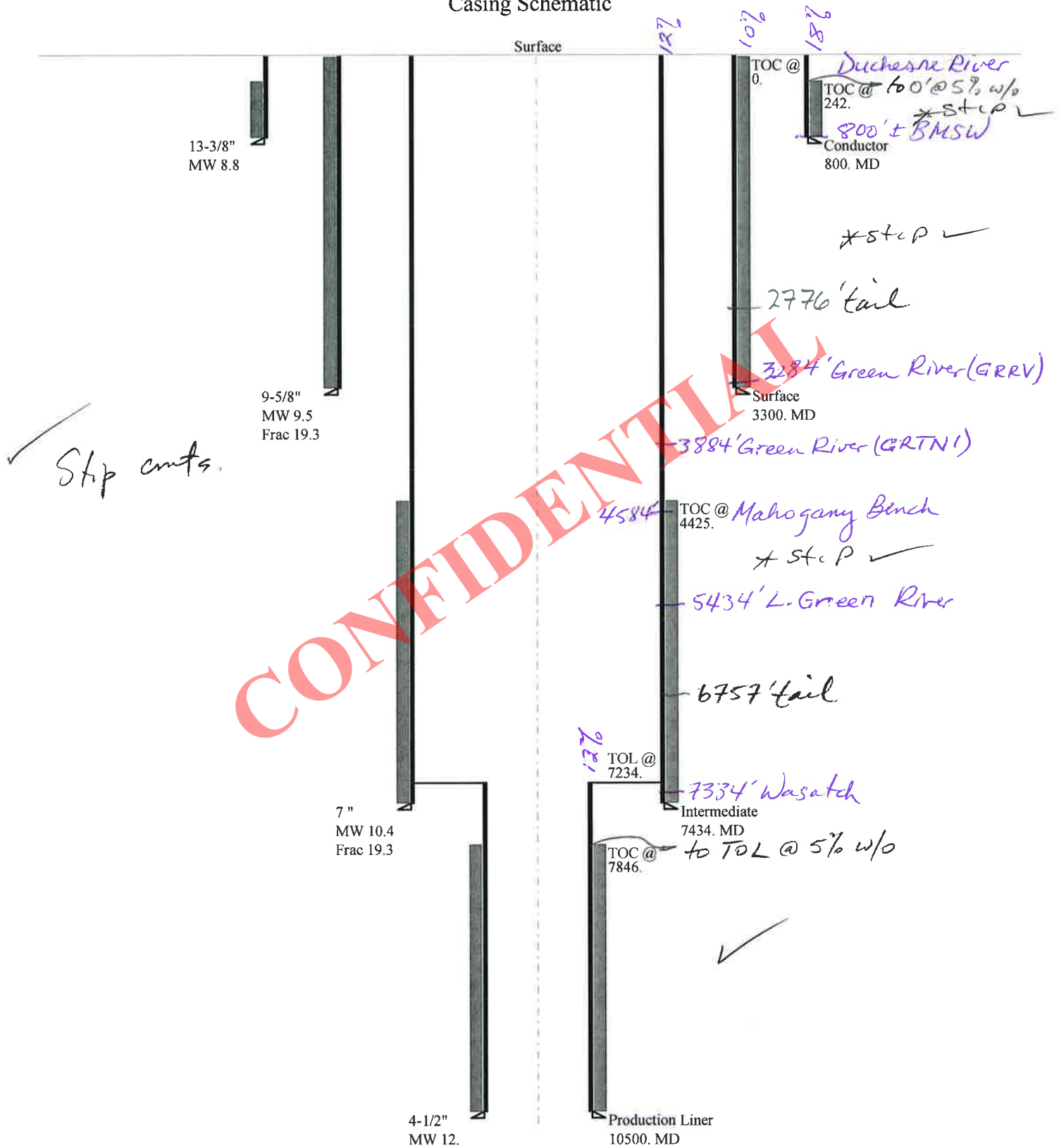
Calculations	SURF String	9.625	"
Max BHP (psi)	.052*Setting Depth*MW=	1680	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	1234	NO <input type="checkbox"/> rotating head + 5M annular
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	904	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	1080	NO <input type="checkbox"/> OK
Required Casing/BOPE Test Pressure=		3300	psi
*Max Pressure Allowed @ Previous Casing Shoe=		800	psi *Assumes 1psi/ft frac gradient

Calculations	I1 String	7.000	"
Max BHP (psi)	.052*Setting Depth*MW=	4020	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	3128	YES <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	2385	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	3111	YES <input type="checkbox"/> OK
Required Casing/BOPE Test Pressure=		7434	psi
*Max Pressure Allowed @ Previous Casing Shoe=		3300	psi *Assumes 1psi/ft frac gradient

Calculations	L1 String	4.500	"
Max BHP (psi)	.052*Setting Depth*MW=	6552	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	5292	YES <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	4242	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	5877	YES <input type="checkbox"/>
Required Casing/BOPE Test Pressure=		8687	psi
*Max Pressure Allowed @ Previous Casing Shoe=		7434	psi *Assumes 1psi/ft frac gradient

43013515940000 Moon 2-31C4

Casing Schematic



Well name:	43013515940000 Moon 2-31C4		
Operator:	EP ENERGY E&P COMPANY, L.P.		
String type:	Conductor	Project ID:	43-013-51594
Location:	DUCHESNE COUNTY		

Design parameters:**Collapse**

Mud weight: 8.800 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 85 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 242 ft

Burst

Max anticipated surface pressure: 270 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 366 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.
Neutral point: 696 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	800	13.375	54.50	J-55	ST&C	800	800	12.49	9926
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	366	1130	3.090	366	2730	7.46	37.9	514	13.55 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: October 30, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 800 ft, a mud weight of 8.8 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43013515940000 Moon 2-31C4	
Operator:	EP ENERGY E&P COMPANY, L.P.	
String type:	Surface	Project ID: 43-013-51594
Location:	DUCHESNE COUNTY	

Design parameters:**Collapse**

Mud weight: 9.500 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 120 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 2,381 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 3,107 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.70 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 2,834 ft

Non-directional string.**Re subsequent strings:**

Next setting depth: 7,434 ft
Next mud weight: 10.400 ppg
Next setting BHP: 4,016 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 3,300 ft
Injection pressure: 3,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	3300	9.625	40.00	N-80	LT&C	3300	3300	8.75	41992
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	1629	3090	1.897	3107	5750	1.85	113.3	737	6.50 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: October 30, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 3300 ft, a mud weight of 9.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43013515940000 Moon 2-31C4	
Operator:	EP ENERGY E&P COMPANY, L.P.	
String type:	Intermediate	Project ID: 43-013-51594
Location:	DUCHESNE COUNTY	

Design parameters:**Collapse**

Mud weight: 10.400 ppg
Design is based on evacuated pipe.

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 178 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft

Cement top: 4,425 ft

Burst

Max anticipated surface pressure: 4,235 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,871 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 6,264 ft

Non-directional string.**Re subsequent strings:**

Next setting depth: 10,500 ft
Next mud weight: 12.000 ppg
Next setting BHP: 6,545 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 7,434 ft
Injection pressure: 7,434 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	7434	7	29.00	P-110	LT&C	7434	7434	6.059	83949
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	4016	8530	2.124	5871	11220	1.91	215.6	797	3.70 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: October 30, 2012
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 7434 ft, a mud weight of 10.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	43013515940000 Moon 2-31C4	
Operator:	EP ENERGY E&P COMPANY, L.P.	
String type:	Production Liner	Project ID: 43-013-51594
Location:	DUCHESNE COUNTY	

Design parameters:**Collapse**

Mud weight: 12.000 ppg
Internal fluid density: 1.500 ppg

Minimum design factors:**Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 221 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,000 ft

Cement top: 7,847 ft

Burst

Max anticipated surface pressure: 4,235 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 6,545 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 9,916 ft

Liner top: 7,234 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	3300	4.5	13.50	P-110	LT&C	10500	10500	3.795	18491
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	5727	10680	1.865	6545	12410	1.90	44.5	338	7.59 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: October 30, 2012
Salt Lake City, Utah

Remarks:

For this liner string, the top is rounded to the nearest 100 ft. Collapse is based on a vertical depth of 10500 ft, a mud weight of 12 ppg. An Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator EP ENERGY E&P COMPANY, L.P.
Well Name Moon 2-31C4
API Number 43013515940000 **APD No** 6467 **Field/Unit** ALTAMONT
Location: 1/4,1/4 SESE **Sec** 31 **Tw** 3.0S **Rng** 4.0W 715 FSL 776 FEL
GPS Coord (UTM) 553428 4446999 **Surface Owner** Kenneth Alton Moon

Participants

First presite Ken Moon was attended by the landowner, move stakes and new cut and fill sheets, second presite: Wayne Garner (E&P Energy); Dennis Ingram (DOGM)

Regional/Local Setting & Topography

The Moon 2-31C4 is proposed in northeastern Utah along the Duchesne River corridor and on the northern valley floor approximately seven hundred feet north of the river. Access into this well site is 1.40 miles east of the town of Duchesne and along the old highway or river road, which is a class B road. The topography at the proposed well pad is river bottom property that slopes southerly to the Duchesne River, and is croplands with alfalfa stands and sprinkler wheel lines in every direction. The Duchesne River corridor runs in a easterly fashion just south of the proposed project; the Strawberry River drains into the Duchesne just east of town or approximately 1.2 miles west of this well staking. The elevation rises approximately five to seven hundred feet to the north as the broken ridges leave the river bottom join the lower or southern portions of Blue Bench.

Surface Use Plan

Current Surface Use

Agricultural
 Grazing
 Wildlife Habitat
 Residential

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.03	Width 282 Length 400	Offsite	UNTA

Ancillary Facilities N

Closed loop mud system

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands Y

Duchesne River down slope of location approximately 700 feet

Flora / Fauna

Alfalfa and hay field with sprinkler system in place.....

Mule Deer, elk, mountain lion, black bear, coyote, fox, raccoon, skunk, rabbit and other smaller mammals and bird life native to region and river bottom country.

Soil Type and Characteristics

Brown to tan, fine grained sandy loam with some clays present

Erosion Issues Y

Sedimentation Issues Y

Site Stability Issues N

Operator will need to bring in several feet of road base or fill to stabilize surface, as the underlying lands may well be wet.

Drainage Diversion Required? N

Berm Required? Y

Berm location and tanks

Erosion Sedimentation Control Required? Y

Seed berms and slopes around this location after the drilling project is complete to prevent sediment from out washing onto crop lands.

Paleo Survey Run? N Paleo Potential Observed? N Cultural Survey Run? N Cultural Resources? N

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)

Distance to Surface Water (feet)

Dist. Nearest Municipal Well (ft)

Distance to Other Wells (feet)

Native Soil Type

Fluid Type

Drill Cuttings

Annual Precipitation (inches)

Affected Populations

Presence Nearby Utility Conduits

Final Score

Sensitivity Level

Characteristics / Requirements

Closed loop mud system, one time permission to move solids and cuttings north onto the Moon 1-14C4 because of limited space and cropland. Surface has the same landowner.

Closed Loop Mud Required? Y Liner Required? Liner Thickness Pit Underlayment Required?

Other Observations / Comments

Ken Moon the landowner, did not have a landowner agreement in place but is now working with the operator to obtain one, operator claims the agreement is in Moon's hands. Moved staking to assist landowner with sprinkler system, narrow same, closed loop system because of river and sub-surface water, two presite visits were made, operator obtained sign off from residents in the area to move well under the 660 foot mandate by the county, the Division approved moving dray cuttings from this well to another Moon well to the north and out of the Duchesne River flood plain, which is a one time deal for this well only.

Dennis Ingram
Evaluator

10/12/2012
Date / Time

CONFIDENTIAL

Application for Permit to Drill

Statement of Basis

Utah Division of Oil, Gas and Mining

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
6467	43013515940000	LOCKED	OW	P	No
Operator	EP ENERGY E&P COMPANY, L.P.		Surface Owner-APD	Kenneth Alton Moon	
Well Name	Moon 2-31C4		Unit		
Field	ALTAMONT		Type of Work	DRILL	
Location	SESE 31 3S 4W U 715 FSL 776 FEL GPS Coord (UTM) 553411E 4446998N				

Geologic Statement of Basis

El Paso proposes to set 800 feet of conductor and 3,000 feet of surface casing both of which will be cemented to surface. The surface and intermediate holes will be drilled utilizing fresh water mud. The estimated depth to the base of moderately saline ground water is 800 feet. A search of Division of Water Rights records indicates that there are over 30 water wells within a 10,000 foot radius of the center of Section 31. These wells mostly produce water from alluvium associated with the Duchesne River with the deeper wells producing from the Duchesne River Formation. Depths of the wells fall in the range of 12-370 feet. Depth is not listed for 3 wells. The wells are listed as being used for irrigation, stock watering, municipal, geothermal and domestic. The proposed drilling, casing and cement program should adequately protect the highly used Duchesne River aquifer.

Brad Hill
APD Evaluator

10/29/2012
Date / Time

Surface Statement of Basis

Three or more visits were made to this proposed wellsite to address issues regarding the construction and drilling of this well. On the first visit the landowner attended and had not entered into a landowner agreement. E&P Energy agreed to move the well northwest so the location will match the sprinkler system wheel line and reduce impact to his alfalfa field. The operator also had to obtain a wavier from landowners from the north because of the 660 foot minimum distance from well center to residential housing, which was done. The Division also disallowed a reserve pit on this location, and so a closed loop mud system will be mandated; the Division also gave the operator one time permission to remove any and all dry cuttings from the wellbore to the Moon 1-14C4 because of ground water at this location and limited space. The surface at the Moon 1-14C4 is also owned by Ken Moon.

The location surface is presently alfalfa field and location less than 700 feet from the Duchesne River, which is on the down slope of this topography. Therefore, the operator shall utilize a closed loop mud system and not dig any pits. Berming around this site shall be adequate to assure the Division that spills shall not leave the location, low berms will result in a Notice of Violation. Noise levels shall be monitored to reduce complaints by farmers living in the area, along with limits on unnecessary night time activity. A Geo netting liner shall be placed under the location surface before the road base or sill in brought in. Road base or fill shall be brought in (and compacted) to build up a stable pad to support the drilling rig. The operator plans to drill this well over the winter, and should have this well on production before the crop season to limit impact on the landowner.

The operator might want to install location berming similar to the Cabinlands 2-16B3 that will be more permanent and not tend to erode and wash out because of the wheel line sprinkler system by the landowner. The location and protection of the Duchense River rises above any expense concerns by the Division.

Dennis Ingram
Onsite Evaluator

10/12/2012
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A closed loop mud circulation system is required for this location.
Surface	The well site shall be bermed to prevent fluids from leaving the pad which will drain toward the Duchesne River..
Surface	Fill or road base brought in and compacted to support drilling rig in lands that most likely have underlying water, and on the edge of wet lands.
Surface	The operator shall limit noise levels and reduce unnecessary night time activity.

CONFIDENTIAL

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 7/21/2012

API NO. ASSIGNED: 43013515940000

WELL NAME: Moon 2-31C4

OPERATOR: EP ENERGY E&P COMPANY, L.P. (N3850)

PHONE NUMBER: 713 997-5038

CONTACT: Maria S. Gomez

PROPOSED LOCATION: SESE 31 030S 040W

Permit Tech Review: ☒

SURFACE: 0715 FSL 0776 FEL

Engineering Review: ☒

BOTTOM: 0715 FSL 0776 FEL

Geology Review: ☒

COUNTY: DUCHESNE

LATITUDE: 40.17166

LONGITUDE: -110.37271

UTM SURF EASTINGS: 553411.00

NORTHINGS: 4446998.00

FIELD NAME: ALTAMONT

LEASE TYPE: 4 - Fee

LEASE NUMBER: Fee

PROPOSED PRODUCING FORMATION(S): GREEN RIVER-WASATCH

SURFACE OWNER: 4 - Fee

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

LOCATION AND SITING:

☒ PLAT☐ R649-2-3.☒ Bond: STATE - 400JU0708

Unit:

☐ Potash☐ R649-3-2. General☐ Oil Shale 190-5☐ Oil Shale 190-3☐ R649-3-3. Exception☐ Oil Shale 190-13☒ Drilling Unit☒ Water Permit: Duchesne City

Board Cause No: Cause 139-90

☐ RDCC Review:

Effective Date: 5/9/2012

☒ Fee Surface Agreement

Siting: (4) Producing Grrv-Wstc Wells in Sec Drl Unit

☐ Intent to Commingle☐ R649-3-11. Directional Drill

Commingle Approved

Comments: Presite Completed

Stipulations: 5 - Statement of Basis - bhill
8 - Cement to Surface -- 2 strings - hmadonald
13 - Cement Volume Formation (3a) - hmadonald

RECEIVED: November 08, 2012



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: Moon 2-31C4
API Well Number: 43013515940000
Lease Number: Fee
Surface Owner: FEE (PRIVATE)
Approval Date: 11/8/2012

Issued to:

EP ENERGY E&P COMPANY, L.P., 1001 Louisiana, Houston, TX 77002

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 139-90. The expected producing formation or pool is the GREEN RIVER-WASATCH Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Cement volumes for the 13 3/8" and 9 5/8" casing strings shall be determined from actual hole diameters in order to place cement from the pipe setting depths back to the surface.

Cement volume for the 7" intermediate string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 2800' MD in order to adequately isolate the Green River formation.

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan - contact Dustin Doucet
- Significant plug back of the well - contact Dustin Doucet
- Plug and abandonment of the well - contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website
at <http://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing - contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program
- contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well - contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:

Approved By:

A handwritten signature in black ink, appearing to read "J. Rogers", written over a horizontal line.

For John Rogers
Associate Director, Oil & Gas



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 8, 2014

EP Energy E&P Company, L.P.
1001 Louisiana Street RM 2038D
Houston, TX 77002

Re: APD Rescinded – Moon 2-31C4, Sec. 31, T.3, R.4W,
Duchesne County, Utah API No. 43-013-51594

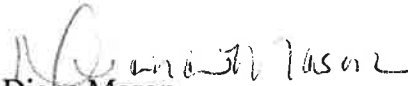
Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on November 8, 2012. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 8, 2014.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Brad Hill, Technical Service Manager

